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Analysis Of The Decline In Economic Activity Among Clothing Traders At Jambi Market

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Abstract

This study aims to analyze the decline in economic activity among clothing vendors at Pasar Jambi, covering the contributing factors, impacts, and survival strategies. A descriptive qualitative approach was employed, utilizing observation, interviews, and documentation involving vendors, consumers, and market management. The findings indicate that the decline in economic activity stems from internal factors such as limited capital and a lack of innovation and external factors, including a shift in consumer behavior toward online shopping, increased competition, and the impact of the COVID-19 pandemic. The consequences are evident in reduced revenue and lower visitor numbers. To survive, vendors have implemented price adjustments, maintained product quality, and begun utilizing social media.

Keywords: Economic Activity, Traditional Markets, Survival Strategies

INTRODUCTION

Since ancient times, markets have served not merely as venues for the buying and selling of daily necessities but also as hubs for social interaction, cultural exchange, and public entertainment. A market is a space where sellers and buyers meet to exchange goods and services. From an Islamic economic perspective, market freedom is guaranteed provided it does not violate principles of justice and honesty. Markets possess the freedom to determine production and pricing mechanisms, so long as these do not create inequality or disrupt market equilibrium. In Islamic economics, the market

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is a site of economic activity grounded in Sharia principles, characterized by fair pricing mechanisms that do not disadvantage any party (Elpisah, 2022).

Pasar Jambi is recognized as one of the oldest and most historic shopping districts in Jambi City. Also known as Pasar Tanah Pilih, this area is more than just a place for leisure; it is a hub of diverse economic activities. However, the atmosphere has changed significantly over time; a comparison with documentation from a few years ago reveals a stark contrast to current conditions. Images captured by *Tribun Jambi* in 2019 depict the Pasar Jambi area as a bustling and highly active environment (Rohmayana, 2018).



Figure 1. Condition of Jambi Market in 2019

Based on preliminary observations, a number of stalls at Jambi Market appear to be no longer in operation. This aligns with data from the Department of Industry and Trade, which records that in 2025, there were 66 stalls at Jambi Market, yet 7 of them were inactive, as shown in the following table:

Table 1. Data on Inactive Stalls at Jambi Market, Jambi City, 2025

No.	Merchant Name	Market Location	Operational Status
1	Arianto	KIOS C no 16	Closed
2	Arwin	KIOS C no 17	Closed
3	Sahpudin	KIOS C no 32	Closed
4	Armi M.	KIOS C no 33	Closed

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5	Mardiyanti	KIOS C no 38	Closed
6	Ilyas Dr. Simorang	KIOS C no 41	Closed
7	Siti Rokaya	KIOS C no 44	Closed

(Source: Department of Trade and Industry, 2026)

In addition to data from the Jambi City Trade and Industry Agency, field information was gathered through an interview with the Secretary of the Pasar Jambi District, Mr. Muhammad Ridho Kalijannah, S.I.P., M.Kom. He stated that, in accordance with Mayor's Regulation (Perwal) Number 61 of 2016, the District Head (*Camat*) beyond serving as the regional leader plays a role in guiding, supervising, and coordinating various activities within the district, including market management. He explained that economic activity in the Pasar Jambi area has experienced a significant decline over the past three years. Currently, the public primarily associates the market with only a few remaining active trade sectors, such as gold, electronics, and textile vendors. This decline in economic activity serves as a prime example (Kalijannah, 2025).

This shift in activity aligns with Philip Kotler's Consumer Behavior Theory, which posits that consumer preferences evolve in response to lifestyle changes, technological advancements, and the ease of access to digital shopping. The rise of e-commerce and online marketplaces has caused many consumers to switch from offline to online shopping due to greater convenience, abundant promotions, and a wider variety of products. Consequently, traditional markets have begun to lose their appeal and suffer from declining visitor numbers, leading to a drastic drop in income for service providers such as shoe repairers, tailors, and barbers (Priansa, 2021).

Beyond the situation at Pasar Jambi, previous studies also support the finding of declining economic activity in traditional markets. For instance, research by Nur'aeni et al. (2024) found that the growth of e-commerce has negatively impacted sales and visitor numbers in traditional markets. The study explained that the convenience, promotions, and product variety offered by digital platforms have driven most consumers to shift from market-based transactions to online purchasing. Similar findings were reported by Arham et al. (2024), showing that conventional market vendors have experienced a decline in sales due to the rise of online shopping.

Given this phenomenon, it is crucial to examine in greater depth the dynamics of economic activity in traditional markets specifically Jambi Market and the factors contributing to their decline. This study aims to provide insights into the causes of this

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economic downturn, its impact on vendors and service providers, and potential solutions to ensure the survival of traditional markets and restore their role as hubs of community economic activity.

While extensive research exists regarding traditional markets and the impact of e-commerce on consumer behavior, most prior studies have focused primarily on the competition between traditional and modern markets or on general shifts in consumer behavior. Research specifically examining the decline in economic activity among clothing vendors viewed through the lens of their firsthand experiences and the implications for business viability at Jambi Market remains limited. Consequently, this study offers a novel contribution by focusing on an in-depth analysis of the causal factors, economic impacts, and survival strategies employed by vendors to sustain their businesses amidst shifting trade dynamics. Based on this context, the researcher deems it necessary to conduct a thorough study titled "Analysis of the Decline in Economic Activity Among Clothing Vendors at Jambi Market."

LITERATURE REVIEW

A market is a space or venue for interaction between sellers and buyers engaging in transactions involving goods and services. Markets play a vital role in driving the community's economic life. In conventional economic and management literature, a market is defined as a place where buyers and sellers determine prices through the exchange of goods and services (Usman et al., 2020). In other words, market-based economic activity should generate broad positive impacts for the community, particularly for those who rely on the trade sector for their livelihood. However, a decline in market income can destabilize traders' economic standing or diminish the *maslahah* (public welfare or benefit) that should ideally arise from market activities.

A decline in traders' economic activity refers to a reduction in the operations or actions undertaken by traders to meet their daily needs within the market. This decline is evidenced by a shrinking customer base, lower sales volumes, and reduced trader income. Both internal and external factors contribute to this decline in market economic activity. Internal factors encompass aspects within the business itself, such as management, human resources, finance, and operations. Conversely, external factors involve elements outside the business, such as market conditions, competition, government policies, and economic trends (Windasari & Wilandari, 2022).

Social changes and technological advancements have significantly altered consumer behavior. Urbanization, modernization, and easy digital access have shifted

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consumer preferences toward modern and instant solutions. The rise of e-commerce and online shopping applications has reduced physical store visits, leading to a decline in sales at traditional markets. Shifts in consumer lifestyles prioritizing convenience and moving from traditional to digital shopping patterns align with market segmentation theory. While this shift results in sales declines that can cause economic instability, it also creates opportunities for adaptation through technology integration (Sasmiharti & Karyati, 2024).

Ethics serve as moral guidelines governing individual conduct, including within the business world. Business can be understood as a series of activities involving resource management whether undertaken individually or collectively aimed at meeting life's needs and enhancing well-being through the production of goods or services to generate profit. Within this context, business ethics refers to behaviors or practices that align with social and organizational norms while upholding principles of fairness and equity (Silviyah & Lestari, 2022).

The marketing mix is a strategy employed to achieve marketing objectives; it consists of a set of marketing instruments that companies use to reach their goals within a target market. Kotler and Armstrong state that an effective marketing program integrates marketing mix elements into its design to achieve corporate objectives regarding the delivery of value to customers (Sa'diyah et al., 2024).

METHOD

This study is a form of field research employing a descriptive qualitative approach, aimed at providing an in-depth description of economic activities and the factors influencing the decline in trade activity at Pasar Jambi. As one of the oldest and busiest trading hubs in Jambi City, Pasar Jambi was selected due to its significant historical, social, and economic value, as well as the substantial decline in economic activity it has experienced in recent years. The research period was designed to be flexible, spanning several months to accommodate field observations and in-depth interviews. The data analyzed were derived from primary sources specifically, information obtained directly from the phenomenon in the field. Information was gathered through in-depth interviews and participant observation. Informants were selected using purposive sampling, a technique involving the selection of individuals based on specific criteria aligned with the research objectives.

Key informants consisted of clothing vendors at Pasar Jambi who had been operating for at least three years and had experienced changes in their economic

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activity. Supporting informants included shoppers and market management personnel. The study planned for a total of 14 to 15 informants, comprising approximately 5 to 7 vendors, 5 shoppers, and 2 market management representatives. The primary data sources for this study were the results of interviews, observations, and documentation involving informants at the research site; these informants included vendors, service providers, shoppers, and market management or local government officials. To ensure data validity, the study employed triangulation a process of cross-verifying information from various sources using diverse methods and at different times. This approach incorporated source triangulation, data collection technique triangulation, and time triangulation. Data analysis was conducted systematically to understand the phenomena observed in the field, involving stages such as data collection, data reduction, data presentation, and conclusion drawing.

RESULTS AND DISCUSSION

Internal and External Factors Causing the Decline in Economic Activity

Based on field observations, clothing trade activity has experienced a significant decline. This is indicated by the closure of many clothing kiosks or their cessation of operations due to a decline in the number of buyers and increased competition from modern stores and online sales. Interviews with clothing vendors regarding the current state of clothing sales at Jambi Market revealed that sales have decreased drastically compared to previous years. According to consumers visiting Jambi Market, the market is indeed quieter or less crowded, although they still visit because some items are still in demand.

Furthermore, another significant factor is the shift in consumer shopping patterns or behavior. Nowadays, people no longer rely on traditional markets as the sole place to purchase necessities, including clothing. Many people prefer to shop at stores closer to their homes or through online shopping platforms. This indicates that people are now shopping more often at locations closer to their homes, as stores have opened everywhere, eliminating the need to travel far to the market to purchase goods. This indicates that business competition has resulted in a decline in market visitors (Arfani et al., 2026).

In addition to interviews with traders and consumers, researchers also conducted interviews with sub-district government officials and relevant agencies to gain a broader understanding of economic activity at Jambi Market. Based on data and interviews obtained from the Department of Industry and Trade, it was discovered that economic

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activity at Jambi Market, or Tanah Pilih Market, has experienced a significant decline in recent years. This is evident in the number of stalls that are no longer operating as they once did. Some stalls have even closed due to the declining number of buyers.

In terms of products, consumers found the clothing sold at Jambi Market to be quite diverse and some are already following trends. However, some consumers felt that some products were still unattractive and needed updating to keep up with current trends. In terms of price, most consumers considered clothing prices at the market to be affordable and commensurate with quality. However, in some cases, market prices were considered less competitive compared to prices offered by online platforms. Meanwhile, in terms of promotions, most consumers stated that they rarely saw promotions from vendors, especially through social media. This indicates that the promotional strategy implemented is still not optimal (Maryam et al., 2023).

Impact of Declining Economic Activity on Traders

The decline in trading activity at Jambi Market has impacted the income of traders. Interviews revealed that traders' income has decreased compared to previous years. Several traders stated that the number of buyers has decreased, resulting in a decrease in their income. Sometimes, there are even no sales or no one comes to buy their merchandise for a week. This indicates that the decline in traders' income has a direct impact on family welfare, particularly in meeting basic needs such as education. This situation indicates that trading activities play a crucial role in supporting the economic well-being of traders' households (Rianda, 2023).

This situation impacts the sustainability of traders' businesses and their well-being. The decline in income impacts the dependence on business capital turnover. Some traders expressed that they sometimes considered closing their businesses due to the increasingly quiet market conditions. However, some traders maintained their businesses because they had long been selling at the market and considered them the primary source of income for their families (Murialti et al., 2026).

Trader Strategies for Coping with Declining Trading Activity

In addition to inquiring about market conditions and the factors driving the decline in trading activity, researchers asked traders about the strategies they employ to cope with the increasingly quiet market. Interview results indicate that the majority of traders have not yet implemented specific marketing strategies, such as social media promotions or sales via e-commerce platforms. Nevertheless, some traders have begun

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experimenting with social media promotion for instance, by using WhatsApp status updates to offer their products to customers or acquaintances in their contact lists.

The easier a location is to access, the more likely consumers are to visit. Conversely, if a location is perceived as less strategic or inconvenient, consumer interest declines. Consequently, traditional markets face significant challenges regarding location and convenience when compared to modern shopping centers and online platforms (Ulya et al., 2025).

CONCLUSION

Based on the research findings and discussion regarding the decline in economic activity among clothing vendors at Pasar Jambi, several conclusions can be drawn: (1) The factors contributing to this decline comprise both internal and external elements. Internal factors include limited capital, a lack of product innovation, and minimal use of digital technology for marketing. Meanwhile, external factors include shifting consumer behavior specifically the trend toward online shopping the rise of e-commerce offering convenience and competitive pricing, increasing competition from modern retail outlets, and economic conditions affecting public purchasing power; (2) The impact of this decline is felt directly by the vendors, primarily through a significant drop in income. This situation not only jeopardizes business continuity but also affects family welfare, making it difficult to cover daily living expenses and education costs. Some vendors are even considering closing their businesses due to the increasingly sluggish market; (3) The survival strategies employed by vendors to cope with this downturn remain rudimentary and suboptimal. Efforts include keeping stalls open, selling goods in other regions, and making limited use of social media for promotion. However, in general, vendors have yet to fully leverage digital technology as an effective marketing strategy to navigate competition in the modern era.

RECOMMENDATIONS

Based on the research findings, vendors are encouraged to adapt to technological advancements such as utilizing social media and digital platforms to boost sales and to continuously improve product quality to meet market demands. The government is expected to provide support through market revitalization, facility upgrades, and digitalization training for vendors. The public is also encouraged to continue supporting traditional markets by shopping there in person.

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Furthermore, the researcher hopes that the younger generation particularly the children or descendants of the vendors will carry on and expand the family business through innovative means, such as social media promotions and the creation of engaging content on platforms like TikTok to attract customers. The government is encouraged to organize events within the market area that draw visitors, thereby increasing foot traffic and revitalizing the local economy. The researcher also hopes that young people will take the initiative to launch campaigns or movements promoting shopping at traditional markets as a way to reinvigorate economic activity. Future researchers are advised to expand upon this study by employing a broader approach or utilizing different methodologies.

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